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# Letters Point to Sale Of 10,000 TOWs

*Businessman Says Poindexter Gave Approval*

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NEW YORK, Nov. 28—Letters that have come to light in an Iran arms-smuggling prosecution here indicate that an Oregon businessman believed that the U.S. government as early as summer 1985 approved weapons sales to Iran and that then-national security adviser Vice Adm. John M. Poindexter orally approved the sale of 10,000 TOW missiles—five times the number the administration has said were shipped—to the Iranians.

The documents were turned over by federal prosecutors on Wednesday to lawyers defending a group of international businessmen charged with conspiring to smuggle more than \$2 billion in arms to Iran in violation of the U.S. embargo on such sales. The defendants have been contending from the start that they believed the weapons transactions they were arranging would eventually be approved by U.S. authorities.

In the letters, Richard J. Brenneke, the businessman, informed Vice President Bush and other officials that he had been contacted by people attempting to buy weapons for Iran and pleaded for their cooperation in allowing him to broker further arms deals. An aide to Bush, however, rebuffed Brenneke's offer with a terse letter informing him that arms sales to Iran were illegal, according to the documents.

All the details contained in the letters could not be corroborated today; some appear to have been based on information deliberately manufactured by the government as part of the "sting" operation that ensnared the defendants in the case here.

Nevertheless, Brenneke's letters, if authentic, demonstrate that he had some knowledge of the government's secret Iranian arms operations long before they were made public.

The New York Times first reported the documents in today's editions and quoted Brenneke as

saying in an interview that he was told by government intelligence sources early this year of "money accumulating in Switzerland for the purchase of weapons" for the contra rebels fighting the government of Nicaragua. Brenneke could not be reached for comment by The Washington Post today. In comments to the Portland Oregonian, he denied telling The New York Times of money in Switzerland for contra weapons.

Brenneke operates a real estate management company near Portland. In his letters and memos, he described himself as having access to various intelligence sources who were keeping him informed on the Iranian need for weapons in the war with Iraq. He reported that he understood that the Iranian government was eagerly seeking a reconciliation with the United States, and that the word among international arms dealers was that the U.S. government had given its tacit approval to some weapons sales.

Brenneke said he and an "associate" had met with Iranian government leaders who would only deal through them. The man Brenneke described as his "associate" in the proposed transactions, John DeLaocque, is an expatriate American citizen who has been charged but not arrested in the New York prosecution.

In a memo dated, Nov. 30, 1985, Brenneke related an attempt in June or July of that year by a "National Security Agency" official to arrange for the sale to Iran of F4E fighters. It was aborted when Iranians balked at CIA involvement in the deal, the memo said.

In another memo, dated Jan. 1, 1986, Brenneke said that Poindexter last December orally approved the sale of 10,000 TOW antitank missiles to Iran. Brenneke said the missiles "are being purchased from Israel and will be shipped directly to Iran."

In the Nov. 30, 1985, memo, which was passed to Defense Department officials through Brenneke's lawyer, a retired Marine Corps colonel, Brenneke said, "It

has been suggested that elements in Iran could be pressured by the government to assist in the release of the hostages now being held. I discount this comment because I have not been able to obtain corroborative evidence."

A Bush aide, Lt. Col. E. Douglas Menarchik, responded to Brenneke's offer on Feb. 6 this year, declaring, "The U.S. government will not permit or participate in the provision of war materiel to Iran and will prosecute any such efforts by U.S. citizens to the fullest extent of the law."

The New York Times quoted Brenneke as saying that he informed Menarchik by telephone of the Nicaragua connection. But Menarchik denied this today in an interview with The Washington Post. "I don't recall, quite frankly, any telephone conversations with Mr. Brenneke," Menarchik said. He said he recalled writing the letter to Brenneke.

Other information provided by Brenneke turns out not to have been correct. In the Jan. 1, memo, Brenneke said that the Iranian government had placed \$1 billion on deposit with Chemical Bank in New York.

In reality, that account was set up by Chemical Bank at the request of the Customs Service "in connection with a legitimate law enforcement activity which they were conducting"—the operation that led to the indictment of the men being prosecuted here, according to Chemical Bank senior vice president Charles Salmans. He said the account's average balance was less than \$100.

Staff writer Bill McAllister contributed to this report.